

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5753-04  
Bill No.: HCS for HB 1667  
Subject: Sewers and Sewer Districts; Water Resources and Water Districts; Fees; Political Subdivisions  
Type: Original  
Date: February 28, 2014

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Bill Summary: Modifies provisions related to political subdivisions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 10 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2015	FY 2016	FY 2017
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\*Revenues and Costs net to zero

## **FISCAL ANALYSIS**

### **ASSUMPTION**

#### **§§43.535 & 43.543 - Background Checks**

In response to similar legislation filed this year on HB 1339, officials at the **Columbia Police Department** and the **City of Columbia** each assume an unknown fiscal impact from this proposal. There could be increased staff time to manage possible increased requests relating to this proposal.

In response to similar legislation filed this year on HB 1339, officials at the **Springfield Police Department** assume an unknown fiscal impact from this proposal. This proposal could potentially have an impact on agencies doing the fingerprinting and record reviews.

In response to similar legislation filed this year on HB 1339, officials at the **Office of Sheriff of Jackson County** assume a minimal fiscal impact from this proposal. This proposal would only apply to a limited number of cases within their county.

In response to similar legislation filed this year on HB 1339, officials at the **City of Kansas City**, the **Cole County**, the **St. Louis County** and the **City of Jefferson** each assume no fiscal impact to their respective organizations from this proposal.

Officials at the **Department of Public Safety - Missouri Highway Patrol** assume no fiscal impact from this proposal.

**Oversight** assumes that if a local political subdivision is going to require the background check it will collect a fee, to cover the cost of the background check.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials from the Boone County Sheriff Department, Buchanan County Sheriff's Department, Clark County Sheriff's Department, Cole County Sheriff Department, Independence Police Department, Jefferson City Police Department, Platte County Sheriff's Department, Springfield Police Department, St. Charles Police Department, St. Joseph Police Department, St. Louis County Police Department and the St. Louis Metropolitan Police Department did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

§67.313 - Lateral Sewer Service Lines

Officials at the **City of Kansas City** assume if the maximum amount of \$3 were approved by voters, it could bring in approximately \$5 million dollars annually. These funds, however, would have to be set aside and used for repair of private lines, and would not be available as additional revenue. Assuming the City could put a program in place to handle the work, the money would likely be spent on repair during the year received, and would not result in any surplus funds. The overall impact would be revenue neutral. Care must be taken to ensure that the City's obligation under the program would not exceed the money actually collected. If the City is required to ensure or guarantee repair of all lateral lines, the program could be costly to the City, exceeding the amount of funds actually collected. Savings, if any, would be a result of a program with sufficient volume to cause a decrease in the cost of the work. There is no way to quantify this amount at this time, or to guarantee that it will occur.

Officials at the **Kansas City Board of Election Commission** assumes assume no fiscal impact from this proposal. The cost to hold a jurisdiction wide election in the Kansas City portion of Jackson County is between \$350,000 to \$400,000.

In response to a previous version, officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

ASSUMPTION (continued)

Officials at the **Cole County Public Water District Number 3** assume no fiscal impact from this proposal. The District bills and collects monies only for sewer usage for the City of Jefferson and the City of St. Martins.

Officials at the **Department of Economic Development's Office of Public Counsel** and the **Public Service Commission** and the **Office of the State Treasurer** each assume no fiscal impact to their respective agencies from this proposal.

In response to a previous version, officials at the **Office of the Secretary of State** and the **Department of Natural Resources** each assume no fiscal impact to their respective agencies from this proposal.

Officials at the **St. Louis County Board of Election Commission**, the **Platte County Board of Election Commission**, the **City of Columbia** and the **Metropolitan St. Louis Sewer District** each assume no fiscal impact to their respective organizations from this proposal.

In response to a previous version, officials at the **City of Jefferson** and the **Northwest Missouri Regional Council of Governments** each assume no fiscal impact to their respective organizations from this proposal.

**Oversight** assumes this proposal is permissive in nature and would have no local fiscal impact without action by the governing body and approval by the majority of voters. Therefore, Oversight will reflect a \$0 impact to local political subdivisions.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

Officials at the following board of election commissions: Clay County Board of Election Commission and Jackson County Board of Election Commission, and did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

§72.401 - Annexation of Property

Officials at the **Kansas City Board of Election Commission**, the **St. Louis County Board of Election Commission**, the **Platte County Board of Election Commission**, the **City of Columbia** and the **City of Jefferson** each assume no fiscal impact to their respective organizations from this proposal.

Officials at the following board of election commissions: Clay County Board of Election Commission and Jackson County Board of Election Commission, and did not respond to **Oversight's** request for fiscal impact.

Officials at the following cities: Ashland, Belton, Bernie, Bonne Terre, Boonville, California, Cape Girardeau, Clayton, Dardenne Prairie, Excelsior Springs, Florissant, Frontenac, Fulton, Gladstone, Grandview, Harrisonville, Independence, Joplin, Kearney, Knob Noster, Ladue, Lake Ozark, Lebanon, Lee Summit, Liberty, Louisiana, Maryland Heights, Maryville, Mexico, Monett, Neosho, O'Fallon, Pacific, Peculiar, Popular Bluff, Raytown, Republic, Richmond, Rolla, Sedalia, Springfield, St. Charles, St. Joseph, St. Louis, St. Robert, Sugar Creek, Sullivan, Warrensburg, Warrenton, Webb City, Weldon Spring and West Plains did not respond to **Oversight's** request for fiscal impact.

§§182.815 & 182.817 - Library Records

Officials at the **Office of the Attorney General** assume this proposal requires the AGO to accept complaints regarding the privacy of certain library records, requires the AGO to review such complaints, and provides that the AGO may initiate legal action. The AGO is unable to estimate the number or nature of such complaints that it would receive, and therefore costs are unknown.

**Oversight** assumes that any costs from AGO relating to this proposal to be permissive in nature and could be absorbed within their current appropriation level.

Officials at the **Office of the State Courts Administrator** assume no fiscal impact from this proposal.

Officials at the **Missouri State University** assume no fiscal impact from this proposal.

Officials at the Office of the Secretary of State did not respond to **Oversight's** request for fiscal impact.

ASSUMPTION (continued)

Officials at the following counties: Andrew, Audrain, Barry, Bates, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Holt, Jackson, Jefferson, Johnson, Knox, Laclede, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Platte, Pulaski, Scott, St. Charles, St. Francois, St. Louis, Taney, Warren, Wayne and Worth did not respond to **Oversight's** request for fiscal impact.

Officials at the following colleges: Crowder, East Central Community College, Harris-Stowe, Jefferson College, Kansas City Metro Community College, Linn State Technical College, Lincoln University, Moberly Area Community College, Missouri Southern State University, Missouri Western State University, Northwest Missouri State University, Southeast Missouri State University, State Fair Community College, St. Charles Community College, St. Louis Community College, Three Rivers Community College, Truman State University, University of Central Missouri and the University of Missouri did not respond to **Oversight's** request for fiscal impact.

§1.1 - Land Conveyance

Officials at the **Office of Administration** assume no fiscal impact from this proposal.

Officials at the **Office of the Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2015 (10 Mo.)	FY 2016	FY 2017
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## **LOCAL POLITICAL SUBDIVISIONS**

<u>Additional Revenue</u> - Local Political Subdivisions - collection of fee for background check	Unknown	Unknown	Unknown
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<u>Costs</u> - Local Political Subdivisions - Increase in staff time for running background checks	(Unknown)	(Unknown)	(Unknown)
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<b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>
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## FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal, unless a political subdivision imposes the lateral sewer service line fee.

## FISCAL DESCRIPTION

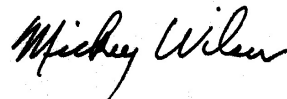
Beginning January 1, 2015 and upon voter approval this bill authorizes any city, town, village, sewer district, or water supply district to impose a fee of up to \$4 per month or \$48 annually for each lateral sewer service line providing sewer service to a residential property having four or fewer dwelling units for the purpose of repair or replacement due to failure of the lateral sewer service lines extending from the residential dwelling to its connection with the public sewer system. The fee may be added to the general tax levy bill of the property owner and collected in the same manner as delinquent real estate taxes and tax bills. The bill also prohibits any city, town, village, sewer district, or water supply district in St. Charles County that does not actually process or treat sewage or wastewater but pays a premium or fee to another entity for the service from charging and collecting from its customers a premium or fee of more than 33 1/3% of the premium or fee it pays.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.



## SOURCES OF INFORMATION

Office of the State Treasurer  
Office of the Secretary of State  
Office of the Attorney General  
Department of Natural Resources  
Department of Economic Development - Public Service Commission and Office of Public Counsel  
Kansas City Board of Election Commission  
Platte County Board of Election Commission  
City of Jefferson  
City of Kansas City  
Cole County Public Water Supply District Number 3  
St. Louis County Board of Election Commission  
City of Columbia  
Metropolitan St. Louis Sewer District  
Northwest Missouri Regional Council of Governments  
Department of Public Safety - Missouri Highway Patrol  
Office of the State Courts Administrator  
Missouri State University  
Office of Administration  
Columbia Police Department  
Springfield Police Department  
Office of Sheriff of Jackson County  
Cole County  
St. Louis County



Mickey Wilson, CPA  
Director  
February 28, 2014

Ross Strope

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Assistant Director  
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